

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 56th LEGISLATURE - REGULAR SESSION

JOINT APPROPRIATIONS SUBCOMMITTEE ON CORRECTIONS AND PUBLIC SAFETY

Call to Order: By **CHAIRMAN STEVE VICK**, on **January 26, 1999** at
8:03 A.M., in Room 405 Capitol.

ROLL CALL

Members Present:

Rep. Steve Vick, Chairman (R)
Sen. Arnie Mohl, Vice Chairman (R)
Sen. Chris Christiaens (D)
Rep. Stan Fisher (R)
Sen. Dale Mahlum (R)
Rep. Red Menahan (D)
Sen. Debbie Shea (D)

Members Excused: None.

Members Absent: None.

Staff Present: Lorene Thorson, Legislative Branch
Shirley Moore, OBPP
Linsey Mortensen, Committee Secretary

Please Note: These are summary minutes. Testimony and
discussion are paraphrased and condensed.

Committee Business Summary:

Executive Action: Department of Labor

EXECUTIVE ACTION ON EMPLOYEE RELATIONS DIVISION

Lorene Thorson passed out a sheet on the Employment Security
Account (ESA) and Workers' Compensation Fund budgets and
language.

EXHIBIT(jih20a01) EXHIBIT(jih20a02)

{Tape : 1; Side : A; Approx. Time Counter : 2.2 - 5.8}

Jerry Keck spoke about the Workers' Compensation Vacancy Savings
adjustments. **EXHIBIT(jih20a03) EXHIBIT(jih20a04)**

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{Tape : 1; Side : A; Approx. Time Counter : 5.8 - 9.2}

Motion/Vote: REP. MENAHAN moved that THE VACANCY SAVINGS OF \$913,367 FOR FY 2000 AND \$722,493 FOR FY 2001 (ON EXHIBIT 3) BE ADOPTED. Motion carried unanimously.

Motion/Vote: REP. MENAHAN moved that THE BASE BUDGET AND STATEWIDE PRESENT LAW ADJUSTMENTS BE ADOPTED. Motion carried unanimously.

{Tape : 1; Side : A; Approx. Time Counter : 11.6 - 13.5}

Executive Present Law Adjustments:

Restore Human Rights Bureau One-Time-Only FTE (DP 401)

Human Rights Present Law Adjustment (DP 402)

Industrial Accident Rehabilitation Account (DP 404)

Montana Health Act (DP 405)

ESA Shortage-General Fund Supplement (DP 409)

Combine PBB RL into Labor Std Bureau (DP 411)

Lorene stated the agency withdrew DP 403, 407.

Motion: SEN. CHRISTIAENS moved that DP 401 BE ADOPTED.

Substitute Motion/Vote: SEN. MOHL made a substitute motion that DP 401 WITH 2 PERMANENT FTE AND 1 ONE-TIME-ONLY FTE BE ADOPTED. Substitute motion carried unanimously.

{Tape : 1; Side : A; Approx. Time Counter : 13.5 - 18.4}

Motion: SEN. CHRISTIAENS moved that DP 402 BE ADOPTED.

Discussion: Jerry Keck explained the funding in DP 402 and stated that the reductions do show up in other agencies.

Vote: Motion failed 3-4 with Christiaens, Menahan, and Shea voting aye.

{Tape : 1; Side : A; Approx. Time Counter : 18.4 - 21.6}

{Tape : 1; Side : A; Approx. Time Counter : 21.9 - 24.5; Comments : Discussion on the use of general funds to back fill on federal dollars.}

Motion: SEN. CHRISTIAENS moved that the committee RECONSIDER their ACTIONS ON DP 402.

Discussion: Jerry Keck answered some of Chairman Vick's questions on the replacement of the general fund.

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CHAIRMAN VICK asked if **SEN. CHRISTIAENS** would hold his motion.

{Tape : 1; Side : A; Approx. Time Counter : 25.2 - 31.7}

Vote: Motion failed 3-4 with Christiaens, Menahan, and Shea voting aye. *Vick and Shea voted by Proxy*

{Tape : 2; Side : A; Approx. Time Counter : 0.6 - 1.2}

Pat Haffey gave further explanation about DP 409 and what is at stake if it is not funded.

CHAIRMAN VICK made some comments on REP. ROYAL JOHNSON'S BILL and implementing fees for service.

{Tape : 1; Side : B; Approx. Time Counter : 0.3 - 7.9}

SEN. CHRISTIAENS commented on the legislature taking away money from the ESA account.

{Tape : 1; Side : B; Approx. Time Counter : 7.9 - 9.7}

REP. FISHER asked if the money from this would go to staff other offices around the state and if the offices were all staffed.

Pat Haffey replied that because of the shortfall this year they had to leave some positions vacant. They are trying to bring them up to full staff. **REP. FISHER** asked if the people could

just as easily call Helena for the information needed. **Pat**

Haffey explained what they had heard that people wanted from around the state. **REP. FISHER** asked if there was some way to

consolidate where there are two offices close to each other. **Pat**

Haffey replied that was what they did in the last round of cuts.

They have eliminated managers in one of places. They did not close the entire office because of the demands of the community in which it is in.

Wendy Keating explained the closures and consolidation of

offices. **REP. FISHER** asked if the employers participate with a

share of the cost. **Keating** explained programs in which there is a cost.

{Tape : 1; Side : B; Approx. Time Counter : 9.7 - 17.2}

{Tape : 1; Side : B; Approx. Time Counter : 17.2 - 21.8;

comments: discussion and comments for the committee members}

Motion/Vote: **REP. MENAHAN** moved that DP 409 BE ADOPTED. Motion failed 3-4 with Christiaens, Menahan, and Shea voting aye.

Jerry Keck, Shirley Moore, and Taryn Purdy, from the Legislative Branch, explained SB 350, DP 402, and the Human Rights Program.

{Tape : 1; Side : B; Approx. Time Counter : 21.8 - 31.8}

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Motion/Vote: REP. FISHER moved that DP 404 BE ADOPTED. Motion carried unanimously.

Motion/Vote: SEN. SHEA moved that DP 405 BE ADOPTED. Motion carried unanimously.

{Tape : 2; Side : A; Approx. Time Counter : 2.2 - 3.6}

Lorene Thorson stated funding changes to DP 406 - \$6,000 general fund and \$5500 ESA each year.

Motion: SEN. CHRISTIAENS moved that DP 406 (\$23,000 TOTAL FUNDS FOR THE BIENNIUM) BE ADOPTED.

Discussion: Jerry Keck explained where the funds have been coming from.

Vote: Motion carried unanimously.

{Tape : 2; Side : A; Approx. Time Counter : 4.7 - 7.1}

Motion: SEN. CHRISTIAENS moved that DP 408 (NOT IN BOOK) CONTRACTOR REGISTRATION BE ADOPTED.

Discussion: Lorene explained the numbers on the Contractor Registration. **EXHIBIT**(jih20a05)

Motion/Vote: SEN. CHRISTIAENS moved that THE EXECUTIVE REQUEST TO INCLUDE THE CONTRACTOR REGISTRATION PERSONAL SERVICES BUDGET AND FTE AT THE SAME STAFFING LEVEL USED IN FY 98 INTO THE DIVISION BASE BUDGET. HE ALSO MOVED THAT WE REMOVE THE LANGUAGE APPROPRIATION TERMINOLOGY AND TRANSFER THE CONTRACTOR REGISTRATION REQUEST FROM HB252 TO HB2 BE ADOPTED. Motion carried 5-1 with Vick voting no. *Mohl absent*

{Tape : 2; Side : A; Approx. Time Counter : 7.1 - 12.8}

Motion/Vote: REP. MENAHAN moved that DP 411 BE ADOPTED. Motion carried unanimously.

{Tape : 2; Side : A; Approx. Time Counter : 12.8 - 13}

Lorene Thorson explained that the committee may like to make a motion on the language on EXHIBIT 2. She also explained each item and what each item encompasses.

Motion/Vote: SEN. CHRISTIAENS moved that the second language of the Workers' Compensation Fund (EXHIBIT 2) BE ADOPTED. Motion carried unanimously.

Motion/Vote: SEN. CHRISTIAENS moved that the LANGUAGE ON THE EMPLOYMENT SECURITY ACCOUNT (EXHIBIT 2) BE ADOPTED. Motion carried unanimously.

{Tape : 2; Side : A; Approx. Time Counter : 13.9 - 17.1}

Motion: SEN. MAHLUM moved that BUDGET BE ADOPTED AS AMENDED.

Substitute Motion: SEN. CHRISTIAENS made a substitute motion that DP 401-404 (NEW PROPOSALS) BE ADOPTED.

New Proposals:

Human Rights Federal Fund Replacement (DP 401)

Uninsured Employer Fund (UEF) Benefit (DP 402)

UEF Administrative Account Fund Shift (DP 403)

Leased Vehicle Request (DP 404)

Discussion: REP. FISHER asked if the funds in DP 401 were to replace the funds lost to HUD, and why they had lost the funds. Jerry Keck explained that they made changes in the provisions in the MT Fair Housing Act and the Human Rights enforcement proceedings and because of these changes the department was no longer able to enter into a work sharing agreement with HUD.

Comments from committee members about SB 350.

{Tape : 2; Side : A; Approx. Time Counter : 17.4 - 23.7}

Jerry Keck explained what the agreement was with HUD and SB 350.

{Tape : 2; Side : A; Approx. Time Counter : 23.7 - 26}

REP. MENAHAN asked what would happen if the department did not get the funding. Mr. Keck replied that the department would have to absorb the amount within the budget, and they would not be able to review all the cases in a timely manner.

{Tape : 2; Side : A; Approx. Time Counter : 26.7 - 28.3}

Vote: Motion failed 3-4 with Christiaens, Menahan, and Shea voting aye.

{Tape : 2; Side : A; Approx. Time Counter : 28.3 - 29.4}

Motion: SEN. MAHLUM moved that DP 404 BE ADOPTED.

Discussion: CHAIRMAN VICK asked about the leasing of vehicles. Mr. Keck replied that seven personnel were using their own vehicles, and four in the safety bureau are owned by the bureau. The department found that it would be more cost effective in replacing the vehicles if they were in a leasing program.

Vote: Motion carried unanimously.

{Tape : 2; Side : A; Approx. Time Counter : 29.4 - 31.8}

Motion: SEN. CHRISTIAENS moved that DP 402-403 BE ADOPTED.

Discussion: Lorene Thorson explained the funds.

Vote: Motion carried unanimously.

{Tape : 2; Side : A; Approx. Time Counter : 31.8 - 32.2}{Tape : 2; Side : B; Approx. Time Counter : 0.3 - 1.3}

Motion/Vote: SEN. MOHL moved that LANGUAGE IN **EXHIBIT**(jih20a06) BE ADOPTED. Motion carried 4-3 with Christiaens, Menahan, and Shea voting no.

{Tape : 2; Side : B; Approx. Time Counter : 1.3 - 3.4}

Motion/Vote: SEN. MOHL moved that BUDGET BE ADOPTED AS AMENDED. Motion carried 4-3 with Christiaens, Menahan, and Shea voting no.

{Tape : 2; Side : B; Approx. Time Counter : 3.4 - 4.5}

EXECUTIVE ACTION ON WORKERS' COMPENSATION COURT

Motion/Vote: SEN. MAHLUM moved that the BASE BUDGET AND STATEWIDE PRESENT LAW ADJUSTMENTS BE ADOPTED. Motion carried unanimously.

{Tape : 2; Side : B; Approx. Time Counter : 4.5 - 4.9}

Executive Present Law Adjustments:

Workers' Compensation Court (WCC) Increased Caseload (DP 901)

Judge McCarter stated changes to the budget (DP 901 -\$4,500 instead of \$14,051 for FY 2000, and \$5,200 for FY 2001 instead of \$14,816.) Pay outs of \$33,500 if he is not re-appointed and hearings examiner retires. Asking that it be a contingency item. If it is not used that it may go back to the department.

Discussion about the Judge being appointed and retiring.

{Tape : 2; Side : B; Approx. Time Counter : 4.9 - 9.0}

Motion/Vote: REP. MENAHAN moved that DP 901 (as corrected) BE ADOPTED. Motion carried unanimously.

{Tape : 2; Side : B; Approx. Time Counter : 9.4 - 9.7}

Discussion of language given by Judge McCarter.

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Motion/Vote: REP. MENAHAN moved \$33,500 ONE-TIME ONLY LINE ITEM IN FY 2000 FOR PAY OUTS IN THE EVENT THE JUDGE IS NOT RE-APPOINTED AND THE HEARINGS EXAMINER RETIRES BE ADOPTED. Motion carried unanimously.

{Tape : 2; Side : B; Approx. Time Counter : 9.7 - 13}

Motion/Vote: SEN. MAHLUM moved that BUDGET BE ADOPTED AS AMENDED. Motion carried unanimously.

{Tape : 2; Side : B; Approx. Time Counter : 13 - 13.4}

EXECUTIVE ACTION ON JOBS SERVICE DIVISION

Motion/Vote: REP. MENAHAN moved that BASE BUDGET AND STATEWIDE PRESENT LAW ADJUSTMENTS. BE ADOPTED. Motion carried unanimously.

{Tape : 2; Side : B; Approx. Time Counter : 13.4 - 14.5}

Executive Present Law Adjustments:

Research & Analysis Increased Workload (DP 101)

State Displaced Homemaker Grants (DP 102)

R&A Program Workload Increase/FTE Shifts (DP 103)

Leased Vehicles/Network devices (DP 105)

State Workforce Investment Council (DP 106)

Eliminate Job Registry and State Training (DP 107)

Jobs for Montana Graduates(JMG)funding 1 FTE/Grant cont. (DP 111)

Ms. Thorson stated the changes to DP 101 and 103. They should all be federal funds.

Tammy Peterson and **Pat Haffey** explained what the modified FTE were.

{Tape : 2; Side : B; Approx. Time Counter : 14.5 - 19.2}

Motion/Vote: REP. MENAHAN moved that DP 101 (as amended to all federal funds) BE ADOPTED. Motion carried unanimously.

{Tape : 2; Side : B; Approx. Time Counter : 19.2 - 19.7}

Motion: SEN. CHRISTIAENS moved that DP 102 BE ADOPTED.

Substitute Motion: SEN. MOHL made a substitute motion that DP 102 BE ADOPTED CHANGING \$16,982 TO \$12,000 EACH YEAR..

Discussion: Ingrid Danielson explained what the money was used for and what will happen if not funded.

Vote: Motion carried 4-3 with Christiaens, Menahan, and Shea voting no.

{Tape : 2; Side : B; Approx. Time Counter : 19.7 - 23.3}

Motion: SEN. CHRISTIAENS moved that DP 103 BE ADOPTED.

Discussion: SEN. MOHL asked would happen if they didn't get approval of FTE. Tammy Peterson replied that they could use base FTE or could continue to use modified FTE.

Substitute Motion/Vote: SEN. MOHL made a substitute motion that DP 103 WITH REQUESTED FUNDING, BUT NO ADDITIONAL FTE BE ADOPTED. Substitute motion carried 4-3 with Christiaens, Menahan, and Shea voting no.

{Tape : 2; Side : B; Approx. Time Counter : 23.8 - 29.1}

Motion/Vote: REP. FISHER moved that DP 105 AND DP 106 BE ADOPTED. Motion carried unanimously.

{Tape : 2; Side : B; Approx. Time Counter : 29.6 - 31.4}

Wendy Keating discussed the elimination of the Job Registry and stated that they would like to re-write DP 107.

CHAIRMAN VICK stated that they would revisit DP 107 at a later date.

{Tape : 3; Side : A; Approx. Time Counter : 0.1 - 2.1}

Motion: REP. MENAHAN moved that DP 111 BE ADOPTED.

Discussion: Wendy Keating answered committee questions on the Jobs for Montana Graduates program.

SEN. CHRISTIAENS made comments on the Jobs for Montana Graduates program.

SEN. MAHLUM stated he would like to revisit DP 111 after they were done with the Department of Corrections.

REP. MENAHAN withdrew his motion. (The committee will come back to it at a later date.)

{Tape : 3; Side : A; Approx. Time Counter : 2.1 - 6.6}

New Proposals:

Welfare to Work Federal Funds (DP 101)

Funding for Apprenticeship Program (DP 103)

One-Stop Workforce Center System (DP 104)

CHAIRMAN VICK asked the committee to wait to move on DP 103 because it is funded HB 252, and stated that DP 104 had some number changes.

{Tape : 3; Side : A; Approx. Time Counter : 6.6 - 8.0}

Motion: REP. MENAHAN moved that DP 101 BE ADOPTED.

Discussion: (Comments by SEN. CHRISTIAENS)

Ingrid Danielson explained the LFD Issue and the Welfare-to-Work program.

SEN. MOHL asked what the length of the program is. **Ms. Danielson** replied that there is some debate in congress to open up the eligibility requirements. She believes it will go on for a while.

SEN. MOHL asked what would happen if the program goes away. **Ms. Danielson** stated that they are committed until June, and they are in the process of reworking their grant for next year.

{Tape : 3; Side : A; Approx. Time Counter : 8.3 - 15.9}

SEN. CHRISTIAENS and Pat Haffey discussed the Welfare-to-Work program.

{Tape : 3; Side : A; Approx. Time Counter : 15.9 - 20.4}

Substitute Motion/Vote: SEN. MOHL made a substitute motion that DP 101 with no backfill of general funds BE ADOPTED. Substitute motion carried unanimously.

{Tape : 3; Side : A; Approx. Time Counter : 20.4 - 21}

Motion: SEN. CHRISTIAENS moved that DP 104 BE ADOPTED.

Discussion: Lorene Thorson advised the committee of the changes requested by the division, and Wendy Keating stated that when the money disappears they will fund it in other ways.

Substitute Motion/Vote: SEN. MOHL made a substitute motion that DP 104 AS AMENDED WITH \$2,180,421 IN FY 2000 AND \$478,481 IN FY 2001 WITH NO BACK FILL OF GENERAL FUNDS. BE ADOPTED. Substitute motion carried unanimously.

Comments from **SEN. CHRISTIAENS** and **Bob Rafferty**, from the Jobs Services Division, on Montana Information Systems Act.

{Tape : 3; Side : A; Approx. Time Counter : 21 - 25.7}

Motion/Vote: SEN. MAHLUM moved that the BUDGET BE ADOPTED AS AMENDED. Motion carried unanimously.

{Tape : 3; Side : A; Approx. Time Counter : 25.7 - 26.5}

**EXECUTIVE ACTION ON COMMISSIONERS OFFICE AND CENTRAL SERVICES
DIVISION**

Motion/Vote: REP. MENAHAN moved that the BASE BUDGET AND STATEWIDE PRESENT LAW ADJUSTMENTS BE ADOPTED. Motion carried unanimously.

Executive Present Law Adjustments:

L/CSD Operating Adjustment (DP 303)

L/CSD Automation Adjustments (DP 304)

Legal/hearing partial FTE (DP 305)

Motion/Vote: REP. MENAHAN moved that DP 403 AND 404 BE ADOPTED. Motion carried unanimously.

Tammy Petersen stated that there is an adjustment for the Board of Labor Appeals funds. **EXHIBIT**(jih20a07)

Motion/Vote: REP. MENAHAN moved that A NEW DECISION PACKAGE (EXHIBIT 7) THAT THE AGENCY BROUGHT FORWARD FOR \$7,050 UNEMPLOYMENT INSURANCE FUNDS FOR BOARD OF LABOR APPEALS PER DIEM BE ADOPTED. Motion carried unanimously.

{Tape : 3; Side : A; Approx. Time Counter : 28 - 32.5}{Tape : 3; Side : B; Approx. Time Counter : 0.4 - 3.5}

Motion/Vote: REP. MENAHAN moved that DP 305 BE ADOPTED. Motion carried unanimously.

New Proposals:

Funding Shift UEF Admin Acct-Legal (DP 301)

Human Rights Federal Fund Replacement (DP 302)

Motion/Vote: REP. FISHER moved that DP 301 BE ADOPTED. Motion carried unanimously.

{Tape : 3; Side : B; Approx. Time Counter : 5.6 - 6.9}

Discussion of Proprietary fund rates (EXHIBIT 2)

Motion/Vote: REP. FISHER moved that LANGUAGE ON THE PROPRIETARY FUND RATE (EXHIBIT 2) BE ADOPTED. Motion carried unanimously.

{Tape : 3; Side : B; Approx. Time Counter : 7.3 - 11}

Motion: SEN. SHEA moved that DP 302 BE ADOPTED.

Discussion: SEN. SHEA commented on SB 350 and the voting of the committee.

Vote: Motion failed 3-4 with Christiaens, Menahan, and Shea voting aye.

{Tape : 3; Side : B; Approx. Time Counter : 11 - 13.4}

Motion/Vote: SEN. MOHL moved that the BUDGET BE ADOPTED AS AMENDED. Motion carried 4-3 with Christiaens, Menahan, and Shea voting no.

{Tape : 3; Side : B; Approx. Time Counter : 13.4 - 13.7}

EXECUTIVE ACTION ON UNEMPLOYMENT INSURANCE DIVISION

Motion/Vote: SEN. MAHLUM moved that the BASE BUDGET AND STATEWIDE PRESENT LAW ADJUSTMENT BE ADOPTED. Motion carried unanimously.

{Tape : 3; Side : B; Approx. Time Counter : 13.7 - 14.5}

Executive Present Law Adjustments:

Unemployment Insurance Increased Workload & Collection (DP 201)
Telephone Claims Annualization (DP 202)

Motion/Vote: SEN. MOHL moved that DP 201 AND 202 WITH NO FTE AND AS ONE-TIME ONLY AND NO BACKFILL WITH GENERAL FUND. BE ADOPTED. Motion carried 6-1 with Shea voting no.

{Tape : 3; Side : B; Approx. Time Counter : 14.5 - 17.1}

New Proposals:

Adjudication-Claims Examiner 1 FTE (DP 201)

Motion: SEN. CHRISTIAENS moved that DP 201 BE ADOPTED.

Discussion: SEN. MOHL and Jim Hill discussed why they would need an FTE.

REP. FISHER asked what it would cost for an employee. Jim Hill replied it would be a grade 12 position. He also explained benefits and such.

Vote: Motion carried unanimously.

Motion/Vote: SEN. MAHLUM moved that the BUDGET BE ADOPTED AS AMENDED. Motion carried unanimously.

{Tape : 3; Side : B; Approx. Time Counter : 17.1 - 22.3}

EXECUTIVE ACTION ON MT COMMUNITY SERVICES

Motion/Vote: SEN. CHRISTIAENS moved that the BASE BUDGET AND STATEWIDE PRESENT LAW ADJUSTMENTS BE ADOPTED. Motion carried unanimously.

{Tape : 3; Side : B; Approx. Time Counter : 22.3 - 23.2}

Executive Present Law Adjustments:

MCS Additional .50 FTE (DP 701)

MCS additional GF Expenditures (DP 702)

MCS Continuing Grant Addtnl Funding (DP 703)

Decrease Personal Services Funding (DP 704)

Charles Briggs, director of the governor's office of community service, explained DP 701-704.

{Tape : 3; Side : B; Approx. Time Counter : 23.2 - 27.9}

Motion: SEN. CHRISTIAENS moved that DP 701, 702, 703 BE ADOPTED.

Discussion: SEN. MOHL stated that he had a problem with DP 702.

Substitute Motion/Vote: SEN. MOHL made a substitute motion that DP 701 AND 703 BE ADOPTED. Substitute motion carried unanimously.

{Tape : 3; Side : B; Approx. Time Counter : 27.9 - 29.5}

Shirley Moore suggested looking at DP 704 at a later date.

New Proposals:

MCS New Federal Grant Source (DP 702)

Motion: REP. MENAHAN moved DP 702.

Discussion: Discussion by committee members. Mr. Briggs answered committee questions.

Vote: Motion carried 6-1 with Vick voting no.

{Tape : 3; Side : B; Approx. Time Counter : 29.1 - 32.3}{Tape : 4; Side : B; Approx. Time Counter : 0.1 - 11.8}

Motion/Vote: SEN. CHRISTIAENS moved that the BUDGET BE ADOPTED AS AMENDED. Motion carried unanimously.

{Tape : 4; Side : B; Approx. Time Counter : 11.8 - 12.1}

ADJOURNMENT

Adjournment: 11:50 A.M.

REP. STEVE VICK, Chairman

LINSEY MORTENSEN, Secretary

SV/LM

EXHIBIT (jih20aad)